

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

STATE OF OREGON  
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES  
DIVISION OF FINANCIAL REGULATION

In the Matter of:

Case No. M-24-0033

REON CONVENTIONAL LLC; and  
REON MAXWELL,

FINAL ORDERS TO CEASE AND  
DESIST AND ASSESSING CIVIL  
PENALTIES, ENTERED BY DEFAULT

Respondents.

The Division of Financial Regulation (the “Division”), acting on behalf of the Director of the Department of Consumer and Business Services for the State of Oregon (the “Director”), conducted an investigation of Reon Conventional LLC (“Reon Conventional”) and Reon Maxwell (“Maxwell”) (collectively, “Respondents”), and determined that they violated certain provisions of Oregon Revised Statutes (“ORS”) chapter 86A.300 to 86A.339 (the “Oregon Mortgage Loan Servicers Law”) and the Oregon Administrative Rules (“OAR”) promulgated under those laws.

On June 27, 2024, the Director issued and served on Respondents an Order to Cease and Desist, Proposed Order Assessing Civil Penalties, and Notice of Right to an Administrative Hearing (the “Notice Order”). The Notice Order offered Respondents an opportunity for a hearing if requested within 20 days of service of the Notice Order. The Notice Order further informed Respondents that if a hearing was not conducted because they did not timely request a hearing or otherwise defaulted, then the designated portion of the Division’s file and all materials submitted by Respondents in the case would automatically become part of the contested case record for the purpose of proving a prima facie case.

Division of Financial Regulation  
Labor and Industries Building  
350 Winter Street NE, Suite 410  
Salem, OR 97301-3881  
Telephone: (503) 378-4387



1 **FINDINGS OF FACT**

2 The Director FINDS that:

3 1. Reon Conventional is an entity based in the State of Maryland, but is not  
4 registered with the secretary of state’s office in Maryland or Oregon. Reon Conventional  
5 has never applied for or held a mortgage servicing license in Oregon.

6 2. On information and belief, Maxwell is a resident of the State of Maryland and  
7 resides at 607 Deerhead Ct, Silver Spring, MD 20904 (the “Deerhead Address”). Maxwell  
8 has never applied for or held a mortgage servicing license in Oregon.

9 3. On November 15, 2022, the Oregon Housing Community Services agency  
10 (“OHCS”) received an application (the “Application”) to receive benefits from the  
11 Homeowners Assistance Fund (“HAF”) on behalf of an Oregon homeowner who resides  
12 at 5664 Marion Hill Rd. SE, Turner, OR 97392 (the “Property”). The homeowner will  
13 hereafter be referred to as “MB.”

14 4. On the Application, Reon Conventional held itself out as MB’s mortgage  
15 servicer in a forged mortgage statement that listed Reon Conventional as the mortgage  
16 servicer for a first position mortgage in the amount of \$21,750. No such loan actually exists,  
17 and there is no mortgage or trust deed recorded in the Marion County property records  
18 related to such a loan. The mortgage statement contained obvious alterations that included  
19 different fonts, text sizing, and line breaks that did not match up. The address listed for  
20 Reon Conventional on the mortgage statement was the Deerhead Address.

21 5. OHCS ultimately withdrew the Application on January 20, 2023 because it was  
22 not “in phase,” did not include all of the necessary supplemental documentation, and did  
23 not meet the program eligibility guidelines. As a result, no funds were distributed.

24 6. On information and belief, Reon Conventional is not a legitimate business, and  
25 is merely a fictitious alter ego of Maxwell.

26 ///

Division of Financial Regulation  
Labor and Industries Building  
350 Winter Street NE, Suite 410  
Salem, OR 97301-3881  
Telephone: (503) 378-4387



1 **CONCLUSIONS OF LAW**

2 The Director CONCLUDES that:

3 7. Pursuant to ORS 86A.306(1), a person may not directly or indirectly service a  
4 residential mortgage loan in this state unless the person obtains or renews a license under  
5 ORS 86A.309 by applying for and obtaining approval for such a license from the Director.

6 8. Respondents violated ORS 86A.306(1) by acting as a mortgage servicer  
7 without obtaining a mortgage servicer license in order to fraudulently obtain monetary  
8 assistance from the HAF program.

9 9. Pursuant to ORS 86A.324(2), “[a] person that services a residential mortgage  
10 loan may not, directly or indirectly: (a) [e]mploy any device, scheme or artifice to defraud  
11 another person; [or] (b) [k]nowingly make an untrue statement of a material fact or omit a  
12 material fact that is necessary to make the person’s statement true in light of the  
13 circumstances in which the person makes the statement.”

14 10. By submitting the HAF Application, Respondents held Reon Conventional out  
15 as a mortgage servicer, thus subjecting themselves to the prohibitions of ORS 86A.324(2).

16 11. Additionally, the HAF Application itself was device, scheme or artifice that  
17 Respondents attempted to use to defraud OHCS and the U.S. Department of the Treasury,  
18 which operates the HAF. Thus, by submitting the fraudulent HAF Application,  
19 Respondents violated ORS 86A.324(2)(a).

20 12. Respondents also violated ORS 86A.324(2)(b) by knowingly making an untrue  
21 statement of material fact when they created a fake mortgage statement, which falsely  
22 claimed that Reon Conventional was the loan servicer for a first position mortgage that did  
23 not exist.

24 ///

25 ///

26 ///

Division of Financial Regulation  
Labor and Industries Building  
350 Winter Street NE, Suite 410  
Salem, OR 97301-3881  
Telephone: (503) 378-4387



1 13. Pursuant to ORS 86A.330(2), in addition to and not in lieu of any other penalty  
2 provided by law, the director may impose a civil penalty under ORS 183.745 in an amount  
3 of not more than \$5,000 for each instance in which a person violates, aids or abets another  
4 person in violating, or procures a violation of ORS 86A.303 to 86A.339.

5 14. Pursuant to ORS 86A.330(1)(a), if the Director determines that a person that  
6 services a mortgage loan has violated ORS 86A.303 to 86A.339, the Director may order  
7 the person to cease and desist from any act that constitutes such a violation.

8 15. Additionally, pursuant to ORS 86A.330(3), the Director may assess the costs of  
9 conducting an administrative proceeding under this section against the person that is the  
10 subject of the administrative proceeding or may include the costs of the administrative  
11 proceeding in any civil penalty the Director imposes under this section. In the event that  
12 Respondents request an administrative hearing in this matter, the Director will assess the  
13 costs of that hearing against Respondents.

14 **ORDERS**

15 The Director issues the following ORDERS:

16 Cease and Desist

17 16. Pursuant to the authority of ORS 86A.330(1)(a), the Director hereby ORDERS  
18 Respondents to CEASE AND DESIST from violating ORS 86A.303 to 86A.339.

19 Imposing Civil Penalties

20 17. As authorized by ORS 86A.330(2), the Director hereby ORDERS that  
21 Respondents be subject, jointly and severally, to a CIVIL PENALTY of \$15,000, which is  
22 comprised of \$5,000 for one violation of ORS 86A.306(1), \$5,000 for one violation of  
23 ORS 86A.324(2)(a), and \$5,000 for one violation of ORS 86A.324(2)(b).

24 ///  
25 ///  
26 ///

Division of Financial Regulation  
Labor and Industries Building  
350 Winter Street NE, Suite 410  
Salem, OR 97301-3881  
Telephone: (503) 378-4387



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

**DESIGNATION OF FINAL ORDER**

18. This Order is a “Final Order” under ORS 183.310(6)(b). Subject to that provision, the entry of this Order does not limit other remedies that are available to the Director under Oregon law.

IT IS SO ORDERED.

Dated this 23<sup>rd</sup> day of July, 2024.

ANDREW R. STOLFI, Director  
Department of Consumer and Business Services

/s/ Dorothy Bean  
Dorothy Bean, Chief of Enforcement  
Division of Financial Regulation

**NOTICE OF RIGHT TO JUDICIAL APPEAL**

Judicial review of final orders in contested cases is governed by ORS 183.482. Respondents may request judicial review by filing a petition with the Court of Appeals in Salem, Oregon, within 60 days from the date this order is serve.

Division of Financial Regulation  
Labor and Industries Building  
350 Winter Street NE, Suite 410  
Salem, OR 97301-3881  
Telephone: (503) 378-4387

